

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
INBOUND E-FORMAT LETTER POST

Docket No. CP2020-120

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 1**
(April 29, 2020)

The United States Postal Service (Postal Service) hereby responds to
Chairman's Information Request No. 1, issued on April 22, 2020. The questions are
stated verbatim and are followed by the responses.

Respectfully submitted,

UNITED STATES POSTAL SERVICE
By its attorneys:

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April 29, 2020

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 1**

1. Please see Attachment, which the Commission filed under seal.

RESPONSE:

Please see Non-public Response, filed under seal.¹

¹ The Commission filed both questions of this ChIR No. 1 under seal on April 22, 2020. The Postal Service therefore also files these questions and their responses under seal. As part of these responses, the Postal Service is also filing under seal an unredacted revised version of the Packets financial spreadsheet that it originally filed with its Notice in this case on April 10, 2020, and likewise is filing publicly a redacted copy of that revised version of the spreadsheet. With respect to the materials being filed under seal as part of these responses, the Postal Service further incorporates by reference the Application for Non-public Treatment of Materials that it filed in this case. See Application of the United States Postal Service for Non-public Treatment of Materials (Attachment 1 to Notice of the United States Postal Service of Specific Rates Not of General Applicability for Inbound E-format Letter Post for 2021), Docket No. CP2020-120, April 10, 2020. The Registered financial spreadsheet that the Postal Service originally filed with its Notice in this case on April 10, 2020, has not changed. In light of the revision of the Packets financial spreadsheet, the Postal Service is also submitting as an Attachment to this Response a new Certification attesting to the accuracy of the data submitted pursuant to 39 C.F.R. § 3035.105(c)(2).

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2. Please see Attachment, which the Commission filed under seal.

RESPONSE:

Please see Non-public Response, filed under seal.

**Certification of Prices for Inbound Letter Post Small Packets and Bulky Letters,
and for Inbound Registered Service Associated with such Items**

I, Nan K. McKenzie, Manager of Pricing Innovation, United States Postal Service, am familiar with the prices for Inbound Letter Post Small Packets and Bulky Letters, and for Inbound Registered Service Associated with such Items. The prices are established in part by operation of the Universal Postal Convention, as amended by its Additional Protocol and Second Additional Protocol, and the Convention Regulations, and in part by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates, issued February 7, 2019 (Governors' Decision No. 19-1).

I hereby certify that the data, as revised, submitted in support of these prices are accurate and that the numerical cost values underlying the prices for Inbound Letter Post Small Packets and Bulky Letters, and for Inbound Registered Service Associated with such Items, are the appropriate costs to use in the formulas and represent the best available information. The prices demonstrate that Inbound Letter Post Small Packets and Bulky Letters, and Inbound Registered Service Associated with such Items, should cover their attributable costs and preclude the subsidization of competitive products by market-dominant products. International competitive mail accounts for a relatively small percentage of the total contribution by all competitive products. Contribution from Inbound Letter Post Small Packets and Bulky Letters, and from Inbound Registered Service Associated with such Items, should be even smaller. Inbound Letter Post Small Packets and Bulky Letters, and Inbound Registered Service Associated with such Items, should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

Nan K. McKenzie

Digitally signed by Nan K. McKenzie
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Pricing Innovation,
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Date: 2020.04.29 14:10:24 -04'00'

Nan K. McKenzie

Date